

**TRANSMITTAL LETTER  
(General - Patent Pending)**

Docket No.  
816-P-3-USA

In the Application Of: **Davor Raos**

Application No. <b>10/521,426</b>	Filing Date <b>July 1, 2002</b>	Examiner	Customer No.	Group Art Unit	Confirmation No.
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**Title: SKINNED STRUCTURES OF AIR HARDENABLE STEEL**

**COMMISSIONER FOR PATENTS:**

Transmitted herewith is:

**Submission of Statement Under 37 CFR 3.73(b)**

in the above identified application.

- No additional fee is required.
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- The Director is hereby authorized to charge and credit Deposit Account No. \_\_\_\_\_ as described below.
  - Charge the amount of \_\_\_\_\_.
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*Signature*

Dated: **April 3, 2007**

David G. Duckworth  
DRUMMOND & DUCKWORTH  
4590 MacArthur Blvd., Suite 500  
Newport Beach, CA 92660  
Tel: (949) 724-1255

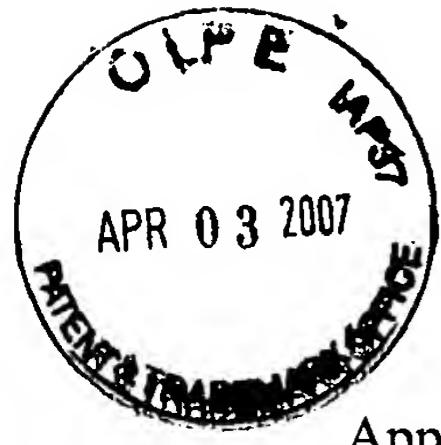
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*(Date)*

*Signature of Person Mailing Correspondence*

*Typed or Printed Name of Person Mailing Correspondence*

CC:



IN THE UNITED STATES PATENT AND TRADEMARK OFFICE

Applicant: Davor Raos  
Application No: 10/521,426  
Filed: July 1, 2002  
Title: SKINNED STRUCTURES OF  
AIR HARDENABLE STEEL

SUBMISSION OF STATEMENT UNDER 37 C.F.R. § 3.73(b)

Box:  
Commissioner for Patents  
P.O. Box 1450  
Alexandria, VA 22313-1450

Sir:

A dispute had arisen between KVA, Inc., a Nevada corporation, and named inventor Davor Raos who was employed by KVA, Inc. to work on the invention described and claimed in the above-identified Application. This dispute was resolved by the Court in the Supreme Court of California, County of San Diego, North County Division, in the case stylized *KVA, Inc. v. Davor Raos*, Case No. GIN045000.

The Court has now issued a Final Judgment ruling that the invention described in the above-identified Application is owned entirely by KVA, Inc. A copy of the Court's Final Order and Judgment is attached to the Statement under 37 C.F.R § 3.73(b) submitted herewith.

Respectfully submitted,



David G. Duckworth  
Registration No. 39,516  
Attorney for Applicant  
Telephone: (949) 724-1255

**CERTIFICATE OF MAILING BY "EXPRESS MAIL" (37 CFR 1.10)**

Applicant(s): Davor Raos

Docket No.

816-P-3-USA

Application No.  
10/521,426Filing Date  
July 1, 2002

Examiner

Customer No.

Group Art Unit

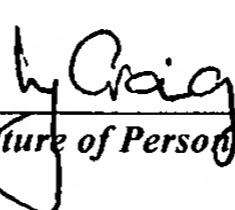
Invention: SKINNED STRUCTURES OR AIR HARDENABLE STEEL

APR 03 2007

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**Submission of Statement Under 37 CFR 3.73(b)***(Identify type of correspondence)*

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## STATEMENT UNDER 37 CFR 3.73(b)

Applicant/Patent Owner: Davor RaosApplication No./Patent No.: 10/521,426Filed/Issue Date: JULY 1, 2002Entitled: **SKINNED STRUCTURES OF AIR HARDENABLE STEEL**KVA, Inc., a Nevada corporation

(Name of Assignee)

(Type of Assignee, e.g., corporation, partnership, university, government agency, etc.)

states that it is:

1.  the assignee of the entire right, title, and interest; or
2.  an assignee of less than the entire right, title and interest  
The extent (by percentage) of its ownership interest is \_\_\_\_\_ %

in the patent application/patent identified above by virtue of either:

A.  An assignment from the inventor(s) of the patent application/patent identified above. The assignment was recorded in the United States Patent and Trademark Office at \_\_\_\_\_, Frame \_\_\_\_\_, or a true copy of the original is attached.

OR

B.  A chain of title from the inventor(s), of the patent application/patent identified above, to the current assignee as follows:

1. From: \_\_\_\_\_ To: \_\_\_\_\_

The document was recorded in the United States Patent and Trademark Office at  
Reel \_\_\_\_\_, Frame \_\_\_\_\_, or for which a copy thereof is attached.

2. From: \_\_\_\_\_ To: \_\_\_\_\_

The document was recorded in the United States Patent and Trademark Office at  
Reel \_\_\_\_\_, Frame \_\_\_\_\_, or for which a copy thereof is attached.

3. From: \_\_\_\_\_ To: \_\_\_\_\_

The document was recorded in the United States Patent and Trademark Office at  
Reel \_\_\_\_\_, Frame \_\_\_\_\_, or for which a copy thereof is attached. Additional documents in the chain of title are listed on a supplemental sheet. As required by 37 CFR 3.73(b)(1)(i), the documentary evidence of the chain of title from the original owner to the assignee was, or concurrently is being, submitted for recordation pursuant to 37 CFR 3.11.

[NOTE: A separate copy (i.e., a true copy of the original assignment document(s)) must be submitted to Assignment Division in accordance with 37 CFR Part 3, to record the assignment in the records of the USPTO. See MPEP 302.08]

The undersigned (whose title is supplied below) is authorized to act on behalf of the assignee.

Signature

April 3, 2007

Date

David G. Duckworth

(949) 724-1255

Printed or Typed Name

Telephone number

Attorney for Applicant

Title

This collection of information is required by 37 CFR 3.73(b). The information is required to obtain or retain a benefit by the public which is to file (and by the USPTO to process) an application. Confidentiality is governed by 35 U.S.C. 122 and 37 CFR 1.11 and 1.14. This collection is estimated to take 12 minutes to complete, including gathering, preparing, and submitting the completed application form to the USPTO. Time will vary depending upon the individual case. Any comments on the amount of time you require to complete this form and/or suggestions for reducing this burden, should be sent to the Chief Information Officer, U.S. Patent and Trademark Office, U.S. Department of Commerce, P.O. Box 1450, Alexandria, VA 22313-1450. DO NOT SEND FEES OR COMPLETED FORMS TO THIS ADDRESS. SEND TO: Commissioner for Patents, P.O. Box 1450, Alexandria, VA 22313-1450.

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FILED

Clerk of the Superior Court

MAR 23 '07

By: PATRICIA LEAPART, Clerk

SUPERIOR COURT OF CALIFORNIA  
COUNTY OF SAN DIEGO, NORTH COUNTY DIVISION, VISTA REG. CTR.

KVA, INC., a Nevada corporation.

Plaintiff,

vs.

DAVOR RAOS, an individual.

Defendants.

Case No.: GIN045000

ASSIGNED FOR ALL PURPOSES TO:  
JUDGE MICHAEL B. ORFIELD

~~REVISED PROPOSED~~  
ORDER AND JUDGMENT

Complaint Filed: June 15, 2005  
Trial Date: December 19, 2006

Trial in this matter was scheduled to commence on December 19, 2006 in Department 28 of the above entitled Court before the Honorable Michael B. Orfield. Plaintiff KVA, Inc. ("KVA") appeared ready for trial through its counsel of record, J. Scott Russo, of the Law Offices of J. Scott Russo, A Professional Corporation and David G. Duckworth, of Drummond and Duckworth. Defendant Davor Raos ("Raos") failed to appear without reasonable excuse and the Court struck Raos' Answer to KVA's Complaint, entered Raos' Default, and initially ordered a judgment prove-up hearing by declaration on January 12, 2007 at 2:30 p.m., pursuant to California Code of Civil Procedure Sections 585 and 586. The prove-up hearing was rescheduled for March 23, 2007 at 1:30 p.m..

Having considered the Declarations of Edward McCrink, Brian H. Kleiner, PhD., David G. Duckworth, and the Supplemental Declaration of David G. Duckworth, the files and records of the Court, and the argument of KVA's counsel, the Court finds as follows:

PROPOSED ORDER AND JUDGMENT  
Exhibit "A"

1. Raos was an employee of KVA from 1994 to January 2005 and was hired to  
2 invent and perform research and development for KVA relating to steel tubing. During his  
3 employment with KVA, patent protection was applied for the following inventions that Raos  
4 worked on for KVA pertaining to steel tubing:

- 5 a. Seam Welded Air Hardenable Steel Tubing as described in U.S. Patent  
6 Application No. 10/519,910; International Patent Application No.  
7 PCT/US02/20888; European Patent Application 02807571.1; Hong Kong  
8 Patent Application No. 06100480-1; Japanese Patent Application No. 2004-  
9 517485; and Korean Patent Application No. 2004-7021510;
- 10 b. Dual Seam-Welded Air Hardenable Steel Tubing and Structural Members  
11 described in U.S. Patent Application No. 11/031,328; and
- 12 c. Skinned Structures of Air Hardenable Steel described in U.S. Patent  
13 Application No. 10/521,426.

14 Collectively, the "Tubing Technology" and the "Patent Applications".

15 2. The Court is making no finding regarding inventorship. Regardless of whether  
16 Raos was or was not an inventor or co-inventor of any part of the Tubing Technology or any of  
17 the claims set forth in the Patent Applications, Raos' involvement with the Tubing Technology  
18 was as an employee of KVA while performing his job responsibilities for KVA. Raos was hired  
19 to devote his time to the development of the Tubing Technology and was successful in doing so  
20 during the term of his employment. In accordance with California Labor Code § 2860, *Standard*  
21 *Parts Co. v. Peck*, 264 U.S. 52, 59 - 60 (1924) and *Treu v. Garrett Corp.* 264 Cal.App.2d 432,  
22 436 (1968), by operation of law, Raos has no right or claim of ownership in the Tubing  
23 Technology or the Patent Applications, which all belong to Raos' employer, KVA.

24 3. No agreement was reached between KVA and/or Edward McCrink on the one  
25 hand and Raos on the other hand regarding Raos having an ownership interest in KVA.

26 4. Davor Raos has no interest, and has no right to acquire an interest, in KVA.

27 IN ACCORDANCE WITH THESE FINDINGS, JUDGMENT IS ENTERED AS

1      )      FOLLOWS:

2      )      1. Judgment is entered in favor of Plaintiff KVA and against Davor Raos;

3      )      2. Plaintiff KVA is the owner of all right, title and interest, and Davor Raos has no

4      )      ownership, right, title or interest in following inventions, corresponding patent applications and

5      )      patents if and when they issue:

6      )           a. Seam Welded Air Hardenable Steel Tubing as described in U.S. Patent

7      )           Application No. 10/519,910; International Patent Application No.

8      )           PCT/US02/20888; European Patent Application 02807571.1; Hong Kong

9      )           Patent Application No. 06100480-1; Japanese Patent Application No. 2004-

10     )           517485; and, Korean Patent Application No. 2004-7021510;

11     )           b. Dual Seam-Welded Air Hardenable Steel Tubing and Structural Members as

12     )           described in U.S. Patent Application No. 11/031,328; and

13     )           c. Skinned Structures of Air Hardenable Steel as describe in U.S. Patent

14     )           Application No. 10/521,426).

15     )      3. If so required by a United States, International or foreign patent agency to affect

16     )      the assignment of his claimed rights in the aforementioned inventions, patent applications and

17     )      patents if and when they issue, Davor Raos shall execute a written assignment assigning all

18     )      rights, title and interest in the above identified inventions to KVA;

19     )      4. Davor Raos has no interest in KVA and no right to acquire an interest in KVA;

20     )      and

21     )      5. KVA is awarded costs of suit against Davor Raos in the sum of

22     )      \$ 11,711.77.

23     )      DATED: March 23, 2007

24     )      MICHAEL B. ORFIELD

25     )      HONORABLE MICHAEL D. ORFIELD  
26     )      JUDGE OF THE SUPERIOR COURT